

**PUBLIC DISCLOSURE**

**AUGUST 22, 2011**

**COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**UNIBANK FOR SAVINGS**

**CERT # 90290**

**49 CHURCH STREET**

**WHITINSVILLE, MA 01588**

**Division of Banks  
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Boston, MA 02118**

**Federal Deposit Insurance Corporation  
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<b>NOTE:</b>	This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks or the Federal Deposit Insurance Corporation concerning the safety and soundness of this financial institution.
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## GENERAL INFORMATION

The Community Reinvestment Act ("CRA") requires the Massachusetts Division of Banks ("Division") and the Federal Deposit Insurance Corporation ("FDIC") to use their authority when examining financial institutions subject to their supervision, to assess the institution's record of meeting its needs of its entire assessment area, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agencies must prepare a written evaluation of the institution's record of meeting the credit needs of its assessment area.

This document is an evaluation of the CRA performance of **UniBank for Savings ("UniBank" or the "Bank")**, prepared by the Division and FDIC, the institution's supervisory agencies as of **August 22, 2011**. The agencies evaluate performance in the assessment area(s), as they are defined by the institution, rather than individual branches. This assessment area evaluation may include visits to some, but not necessarily all of the institution's branches. The Division and the FDIC evaluate the CRA performance of an institution consistent with the provisions set forth in 209 CMR 46.00 and Part 345 of the FDIC's Rules and Regulations, respectively.

### **INSTITUTION'S CRA RATING: This institution is rated "Satisfactory."**

An institution in this group has an adequate record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Intermediate Small Bank CRA procedures were utilized for the evaluation. The assigned rating is based on the results of two performance tests: the Lending Test and the Community Development Test. The Bank's performance under each of these two tests is summarized below:

#### ***Lending Test:* the Lending Test is rated "Satisfactory."**

- UniBank for Savings loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- A majority of loans and other lending related activities are in the Bank's assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes.
- The Bank has not received any CRA-related complaints.

#### ***Community Development Test:* The Community Development Test is rated "Satisfactory."**

- The Bank's community development performance demonstrates adequate responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services as appropriate, considering the institution's capacity and need and availability of such opportunities for community development in the institution's assessment area.

## SCOPE OF THE EXAMINATION

This CRA evaluation was conducted jointly by the Division and the FDIC. Intermediate Small Bank CRA examination procedures were used to evaluate the Bank's CRA performance. The Intermediate Small Bank CRA examination procedures evaluate the Bank's CRA performance pursuant to two tests: The Lending Test and the Community Development Test. The CRA evaluation considered activity from June 23, 2008, through August 22, 2011. The data and applicable timeframes for the Lending Test and the Community Development Test are discussed below.

Through a review of the Bank's loan portfolio composition and discussions with management, it was noted that the Bank's primary lending focus is residential lending. According to the June 30, 2011 Call Report, UniBank's residential loans, including one- to four-family and multifamily loans, represent 39.8 percent of the Bank's lending portfolio. Commercial lending, including commercial and industrial loans and loans secured by commercial real estate, represents 28.6 percent of the Bank's loan portfolio and is another significant key to the Bank's lending strategy. Management also collects data on its Home Equity Lines of Credits (HELOCs) and requested consideration of such information in this evaluation; therefore, these loans were also analyzed. Greater emphasis is placed on the Bank's residential lending performance because it remains the Bank's primary lending category.

The Bank's 2009, 2010 and YTD 2011 residential lending data was analyzed and considered for this evaluation. Residential lending data was obtained from the Bank's 2009, 2010 and the first two quarters of 2011 (Year-To-Date) Loan Application Registers (LARs) maintained pursuant to the Home Mortgage Disclosure Act ("HMDA"). The LARs contain data about home improvement loans and home purchase loans, including refinancings, on one- to four-family and multifamily (five or more unit) properties. The data presented in this evaluation within the *Geographic Distribution and Lending to Borrower's of Different Incomes and Businesses of Different Sizes* tables is 2009 lending data. This is because 2009 is the latest year for which aggregate lending data is available. The aggregate lending data is used for comparison purposes within the evaluation and is a measure of loan demand. It includes lending information from all HMDA reporting lenders that originated loans in the Bank's assessment area.

The Bank's 2009, 2010 and YTD 2011 small business lending data was analyzed and considered for this evaluation. Small business lending data was obtained from the Bank's 2009, 2010, and the first two quarters of 2011 (Year-To-Date) small business CRA LARs. Due to its asset size, the Bank is not subject to formal CRA data reporting requirements, but collects the data for evaluation purposes. Small business loans for purposes of this evaluation include commercial real estate loans and commercial and industrial loans with original balances of \$1 million or less. The Bank's 2009 and 2010 small business lending performance is focused on as the most recent business demographic data available is from 2009 and 2010. As an Intermediate Small Bank, small business loans are not required to be reported by the Bank. As such, comparing the Bank's small business lending activity to small business aggregate lender data would not be appropriate, as the aggregate lenders are much larger institutions required to report small business data. Instead, the Bank's small business lending performance is compared to pertinent 2009 and 2010 demographic information.

The Community Development Test includes qualified community development loans, investments and grants, and services for the period June 23, 2008 through August 22, 2011. Qualified community development equity investments and deposits held by the Bank were also included regardless of investment date. The investments were valued at the June 30, 2011 book value.

## PERFORMANCE CONTEXT

### Description of Institution

UniBank for Savings was established on January 19, 1988, following the merger of the Uxbridge Savings Bank, incorporated in 1870, and Whitinsville Savings Bank, incorporated in 1873. The surviving charter was that of Uxbridge Savings Bank, renamed UniBank for Savings. UniBank is a stock savings bank, wholly-owned by UFS Bancorp, a mutual holding company. The Bank operates four wholly-owned subsidiaries: UniBank Securities Corporation, a securities corporation that is currently inactive; UniBank Fiscal Advisory Services, Inc. ("UFASI") provides debt management services to towns, school districts, and other government units; Tommark, Inc., d/b/a Sterling Associates originates marine and manufactured housing loans for client lenders; and UniPay Direct markets a bill payment product to financial institutions located outside of Massachusetts. In addition, Tommark Insurance is a subsidiary of Sterling Associates that provides advisory services.

The Bank is headquartered at 49 Church Street, in Whitinsville, Massachusetts. The Bank also operates seven full service branches in the Massachusetts towns of Blackstone, Douglas, Milford, Sutton, Upton, Uxbridge, and Whitinsville.

As of June 30, 2011 the Bank had total assets of \$1.3 billion. Assets increased 40.5 percent since the previous evaluation on June 23, 2008, conducted by the FDIC. The Bank's loan portfolio, which represents approximately 45.9 percent of total assets, increased 27.3 percent during the same period.

Table 1 details the distribution of the Bank's loan products by volume as of June 30, 2011.

<b>Table 1</b>		
<b>Loan Portfolio Distribution as of June 30, 2011</b>		
<b>Loan Type</b>	<b>Dollar Amount \$(000s)</b>	<b>Percent of Total Loans (%)</b>
1-4 Family Residential	225,162	39.2
Commercial	112,278	19.5
Construction and Land Development	25,731	4.4
Multi-Family Residential (5 + units)	3,254	0.6
<b>Total Secured by Real Estate</b>	<b>366,425</b>	<b>63.7</b>
Consumer	160,869	27.2
Commercial and Industrial Loans	52,604	9.1
<b>Less: loan and lease losses and unearned income</b>	<b>(5,544)</b>	
<b>Total Net Loans</b>	<b>574,354</b>	<b>100.0</b>
<i>Source: Consolidated Reports of Condition and Income as of June 30, 2011</i>		

As the data above shows, the Bank is primarily a residential real estate lender. The greatest share of the real estate loan portfolio is secured by one- to four-family residences. These loans include closed-end mortgage loans (including junior liens), as well as revolving home equity lines of credit secured by real estate and multi-family housing. Commercial lending consists of 28.6 percent of the Bank's loan portfolio, comprised of loans secured by commercial real estate and commercial and industrial loans. Consumer lending makes up 27.2 percent of the Bank's portfolio.

The FDIC last evaluated the Bank's CRA performance on June 23, 2008, and assigned an overall rating of "Satisfactory." The Division last evaluated the Bank's CRA performance April 11, 2005, and assigned an overall rating of "Outstanding." There are no apparent financial or legal impediments that would limit the Bank's ability to help meet the credit needs of its assessment area. Based upon the Bank's asset size, product offerings, and branch network, its ability to meet the assessment area's credit needs remains adequate.

### Description of Assessment Area

The CRA requires financial institutions to define an assessment area within which its CRA performance will be evaluated. The Bank's assessment area as currently defined meets the technical requirements of the CRA regulation since it: (1) consists of one or more political subdivisions, (2) includes the geographies where the Bank has its main office, branches, and deposit-taking ATMs, as well as the surrounding geographies in which the institution originated a substantial portion of its loans, (3) consists of whole census tracts, (4) does not extend substantially beyond state boundaries, unless otherwise permitted (5) does not reflect illegal discrimination, and (6) does not arbitrarily exclude low- and moderate-income areas.

UniBank's assessment area consists of 12 Massachusetts towns and cities within Worcester County: Blackstone, Douglas, Grafton, Hopedale, Mendon, Milford, Millbury, Millville, Northbridge, Sutton, Upton, and Uxbridge. All of these towns are located in the Worcester, Massachusetts Metropolitan Statistical Area ("MSA").

Table 2 lists the pertinent assessment area demographic information for the Bank's assessment area.

Table 2 Demographic Information for Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A % of #
Geographies (Census Tracts)	24	0.0	4.2	62.5	29.2	4.1
Population by Geography	122,473	0.0	3.1	58.7	37.9	0.3
Owner-Occupied Housing by Geography	33,252	0.0	1.8	56.4	41.8	0.0
Business by Geography	9,567	0.0	5.6	56.3	38.0	0.1
Family Distribution by Income Level	33,131	14.5	15.2	23.3	47.0	0.0
Distribution of Low and Moderate Income Families throughout AA Geographies	9,845	0.0	4.9	66.5	28.6	0.0
Median Family Income		\$67,723	Median Housing Value			\$172,837
HUD Adjusted Median Family Income for 2009		\$79,700	Unemployment Rate (August 2009)			8.6%
HUD Adjusted Median Family Income for 2010		\$79,900	Unemployment Rate (August 2011)			7.1%
HUD Adjusted Median Family Income for 2011		\$82,500	Households Below Poverty Level			6.3%
Source: Demographics from 2000 US Census Data, 2009 Business Geo-demographics Data, and 2009, 2010, and 2011 Updated Housing of Urban Development (HUD) Adjusted Median Family Income.						

Since the last evaluation, the assessment area expanded, adding one moderate-income, one middle-income, and three upper-income census tracts. The Bank's assessment area is now comprised of 24 census tracts. The assessment area contains no low-income census tracts; 1 (4.2 percent) moderate-income census tract; 15 (62.5 percent) middle-income census tracts; and 7 (29.2 percent) upper-income census tracts. One other tract (4.1 percent) is designated as "N/A." The N/A census tract is located in Grafton and contains the campus of Tufts University School of Veterinary Medicine and two youth facilities operated by the Grafton Job Corps and the Department of Social Services Key Program. These facilities comprise the majority of the tract and there are no households; consequently there is no loan demand.

Of the 46,767 housing units in the area, 71.1 percent were owner-occupied and 25.9 percent were rental units. Regardless of the census tract category in which they are located, low- and moderate-income families represent approximately 14.5 percent and 15.2 percent, respectively, of all families within the Bank's assessment area. Upon further review, the assessment area contains 6.3 percent of households with income levels below the poverty level and 2.0 percent of area households receive some form of public assistance. This may indicate a reduced ability for an individual to secure a mortgage loan, thereby reducing a financial institution's opportunity to lend to these individuals and families. Data from the Bureau of Labor Statistics show that the assessment area has seen a slight decrease in the unemployment rate from the August 2009 level of 8.6 percent to the August 2010 level of 8.4 percent.

In 2009, approximately 78.3 percent of businesses within the assessment area are considered small businesses, with gross annual revenues of \$1.0 million or less. Of the total businesses within the assessment area, approximately 5.6 percent are located within moderate-income tracts, 56.3 percent within middle-income tracts, and 38.0 percent within upper-income tracts.

In 2010, approximately 79 percent of businesses within the assessment area are considered small businesses, with gross annual revenues of \$1.0 million or less. Of the total businesses within the assessment area, approximately 5.2 percent are located within moderate-income tracts, 55.7 percent within middle-income tracts, and 39.0 percent within upper-income tracts.

The Bank operates in a competitive assessment area in terms of financial services. The Bank competes for loan volume with many commercial banks, savings banks, credit unions, and mortgage lenders that operate in the assessment area. Among the more prominent mortgage lenders competing with the UniBank are Bank of America, Citibank, and JP Morgan Chase Bank, and Milford Federal Savings & Loan Bank. According to a 2009 market share report, UniBank captured 5.0 percent of the market and was ranked 4<sup>th</sup> out of 277 lenders.

## **Community Contact**

A community contact was conducted at a local housing authority that creates housing for the community. The contact mentioned that there are many opportunities for financial institutions to become involved in community activities, namely, through making small donations to various organizations within the assessment area. Based on discussions with management, a review of the area's demographics, and the insights gained from the community contact, it was determined that the assessment area has no one primary credit need. In general, the area's residents need a variety of consumer loan products to meet personal needs and an array of home financing programs for the purchase, construction, or refinance of a residence. The area's business base also requires numerous commercial credit options to meet a wide variety of financing purposes. Affordable housing lending programs appear to be a particular need for the area's low- and moderate-income individuals and families.

## **PERFORMANCE CRITERIA**

The Lending Test considers the institution's performance pursuant to the following criteria: loan-to-deposit ("LTD") ratio, assessment area concentration, borrower's profile, geographic distribution of loans, and the response to CRA complaints. The Community Development Test considers qualified community development loans, investments and donations, and services.

### **LENDING TEST**

#### **1. LOAN TO DEPOSIT ANALYSIS**

This performance criterion determines the percentage of the Bank's deposit base reinvested in the form of loans and evaluates its appropriateness. The Bank's LTD ratio is reasonable given the institution's size, financial condition, and credit needs within the assessment area.

The Bank's net loan-to-deposit ratio was 49.3 percent as of June 30, 2011, based on net loans of \$574.4 million and deposits of \$1.2 billion. During the evaluation period, the net LTD ratio ranged from a high of 62.2 percent in June 2008 to a low of 49.3 percent in June 2011. The Bank's average net LTD ratio over the 13 quarters since the last evaluation is 57.6 percent.

For comparison purposes, the Bank's average net LTD ratio was compared against the average net LTD ratios of two similarly situated institutions (in terms of location and loan portfolio composition). Refer to Table 3 below for the similarly situated institutions' average net LTD comparison.

<b>Table 3</b>		
<b>Similarly Situated Average Net LTD Comparison</b>		
<b>Bank Name</b>	<b>Average Net Loans to Deposits</b>	<b>Total Assets as of 06/30/2011</b>
Fidelity Co-operative Bank	92.9	518,944
UniBank for Savings	57.6	1,261,622
Webster Five Cents Savings Bank	84.8	553,842
<i>Source: Consolidated Reports of Condition and Income</i>		

As shown in Table 3 above, the institutions' average quarterly net LTD ratios ranged between 57.6 percent and 92.9 percent. At 57.6 percent, the Bank's average net LTD is lower than that reflected by two of the similarly situated institutions. UniBank's net average LTD ratio has remained low over the last 13 quarters due to the fact that UniBank originates and services municipal loans and deposits which affect the loan-to-deposit ratio. UniBank is one of the largest providers of banking services to municipalities in Massachusetts.

#### **2. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA(S)**

This performance criterion evaluates whether the Bank is meeting the credit needs within its assessment area. The analysis includes a review of residential loans, small business loans, and home equity lines of credit (HELOCs). Based upon a review of residential loans, small business loans, and HELOCs, a majority of the Bank's lending activity occurs in the assessment area. Refer to Table 4 for specific information concerning the distribution of loans inside and outside the assessment area.



Table 4 Distribution of Loans Inside and Outside of the Assessment Area										
Loan Category or Type	Number of Loans					Dollar Volume (\$000)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Residential 2009										
Home Purchase	62	37.1	105	62.9	167	14,250	41.0	20,514	59.0	34,764
Refinance	335	67.3	163	32.7	498	71,691	62.1	43,797	37.9	115,488
Home Improvement	48	82.8	10	17.2	58	9,688	81.4	2,207	18.6	11,895
Total	445	61.6	278	38.4	723	95,629	59.0	66,518	41.0	162,147
Residential 2010										
Home Purchase	81	47.9	88	52.1	169	18,135	48.0	19,657	52.0	37,792
Refinance	219	65.2	117	34.8	336	42,280	59.9	28,263	40.1	70,543
Home Improvement	29	64.4	16	35.6	45	5,033	64.9	2,717	35.1	7,750
Total	329	59.8	221	40.2	550	65,448	56.4	50,637	43.6	116,085
Residential YTD 2011										
Home Purchase	17	27.4	45	72.6	62	4,216	40.0	6,313	60.0	10,529
Refinance	48	65.8	25	34.2	73	8,784	58.5	6,242	41.5	15,026
Home Improvement	6	85.7	1	14.3	7	801	82.8	166	17.2	967
Total	71	50.0	71	50.0	142	13,801	52.0	12,721	48.0	26,522
Residential Total	845	59.7	570	40.3	1,415	174,878	57.4	129,876	42.6	304,754
Small Business 2009	90	70.3	38	29.7	128	11,302	45.8	13,373	54.2	24,675
Small Business 2010	97	75.8	31	24.2	128	13,843	64.8	7,534	35.2	21,377
Small Business YTD 2011	54	76.1	17	23.9	71	4,246	55.7	3,375	44.3	7,621
Small Business Total	241	73.7	86	26.3	327	29,391	54.8	24,282	45.2	53,673
HELOCs 2009	126	76.8	38	23.2	164	9,221	64.5	5,070	35.5	14,291
HELOCs 2010	110	77.5	32	22.5	142	9,485	80.2	2,337	19.8	11,822
HELOCs YTD 2011	55	76.4	17	23.6	72	4,131	61.8	2,550	38.2	6,681
HELOCs Total	291	77.0	87	23.0	378	22,837	69.6	9,957	30.4	32,794
Grand Total	1,377	65.0	743	35.0	2,120	227,106	58.1	164,115	41.9	391,221
Source: 2009, 2010, and YTD 2011 HMDA LARs, 2009, 2010 and YTD 2011 Internal CRA Small Business LARs, and 2009, 2010, and YTD 2011 Internal Bank Records for Home Equity Lines of Credit										

As reflected in the table, 65.0 percent in number of the Bank's total residential, small business, and HELOC loans were originated within the assessment area in 2009, 2010, and YTD 2011.

The Bank's residential lending within the assessment area was comparable between 2009 and 2010 at 61.6 percent and 59.8 percent, respectively. With regards to the Bank's small business lending, the performance improved slightly as 75.8 percent of the loans were originated within the assessment area in 2010, compared to 70.3 in 2009. HELOC lending remained steady within the assessment area throughout the evaluation period

### 3. GEOGRAPHIC DISTRIBUTION

The geographic distribution of residential, small business, and HELOCs was reviewed to assess how well the Bank is addressing the credit needs throughout the assessment area by census tract income level. The geographic distribution of small business loans and HELOCs reflects reasonable penetration throughout the assessment area, particularly in moderate-income geographies in the assessment area.

## Residential Loans

As previously noted, the assessment area has no low-income tracts, and only one moderate-income census tract. Table 5 details the distribution of the Bank's residential loans by income level of the census tracts in its assessment area for 2009, 2010 and YTD 2011. The Bank's 2009 lending performance is compared with the aggregate lenders performance by census tract income level. The Bank's lending performance is also compared with demographic indicators – the percentage of owner-occupied housing units within the assessment area by census tract income level.

Table 5 Distribution of Assessment Area Residential Loans by Census Tract Income Level										
Loan Category	# of Bank Loans	Percent of Bank Loans			Percent of Aggregate Lending					
		Moderate	Middle	Upper	Moderate	Middle	Upper			
2009										
Home Purchase	62	0.0	72.6	27.4	1.6	55.5	42.9			
Refinance	335	0.0	63.9	36.1	0.7	52.0	47.3			
Home Improvement	48	0.0	62.5	37.5	1.2	57.3	41.5			
Total	445	0.0	64.9	35.1	1.0	53.0	46.0			
2010										
Home Purchase	81	0.0	56.8	43.2						
Refinance	219	0.0	59.8	40.2						
Home Improvement	29	0.0	65.5	34.5						
Total	329	0.0	59.6	40.4						
YTD 2011										
Home Purchase	17	0.0	70.6	29.4						
Refinance	48	0.0	70.8	29.2						
Home Improvement	6	0.0	50.0	50.0						
Total	71	0.0	68.6	31.4						
Grand Total	845	0.0	63.1	36.9						
Demographics	# of Housing Units	Distribution of Housing Units								
		Moderate	Middle	Upper						
Owner-Occupied Units	33,252	1.8	56.4	41.8						
Source: 2009, 2010, and YTD 2011 HMDA LARS, HMDA Aggregate Data for 2009, and Demographics from 2000 U.S. Census Data										

As indicated in the table above, the Bank did not originate any residential loans within the moderate-income tract in 2009, 2010, and YTD 2011. The Bank's performance in 2009 was below the 2009 aggregate lending percentage (at 1.0 percent). The Bank's performance was also below demographic indicators, as 1.8 percent of assessment area's owner-occupied units are located within the moderate-income census tract. Mitigating the lack of lending is the relative lack of residential lending opportunities within the moderate-income tract as only 1.8 percent of owner-occupied housing units are within the tract and the aggregate lenders performance was nominal at 1.0 percent.

### Small Business Loans

Table 6 details the Bank's small business lending performance by census tract income level for 2009, 2010, and YTD 2011. The Bank's 2009 and 2010 lending performance is compared with demographic indicators – the percentage of businesses within the assessment area by census tract income level.

Table 6 Geographic Distribution of Small Business Loans by Census Tract Income Level								
Census Tract Income Level	Demographic Data 2009	2009 Bank loans		Demographic Data 2010	2010 Bank loans		YTD 2011 Bank Loans	
	% of Businesses	# of Bank Loans	%	% of Businesses	# of Bank Loans	%	# of Bank Loans	%
Moderate	5.6	6	6.7	5.2	4	4.1	1	1.9
Middle	56.3	53	58.9	55.7	57	58.8	29	53.7
Upper	38.0	31	34.4	39.0	36	37.1	24	44.4
N/A	0.1	0	0.0	0.1	0	0.0	0	0.0
Total	100.0	90	100.0	100.0	97	100.0	54	100.0
Source: 2009, 2010, and YTD 2011 Internal CRA Small Business LARs, and 2009 and 2010 Business Geodemographic Data								

As reflected above, the Bank originated six of its small business loans, or 6.7 percent, within the moderate-income tract in 2009. This was slightly above, but consistent with, the percentage of area businesses located within the moderate-income census tract in 2009, at 5.6 percent. The Bank's lending performance dropped slightly in 2010, as four of its small business loans, or 4.1 percent, were originated within the moderate income census tract. This was also slightly below the percentage of area businesses located within the moderate-income census tracts in 2010, at 5.2 percent. YTD 2011, only one loan, or 1.9 percent, was originated in the moderate-income census tract. Geodemographic data for 2011 is unavailable for comparison purposes.

### Home Equity Lines of Credit

Table 7 details the Bank's HELOC lending performance by census tract income level for 2009, 2010, and YTD 2011. The Bank's lending is compared with percentage of owner-occupied housing units within the assessment area by census tract income level.

Table 7 Geographic Distribution of Home Equity Lines of Credit by Census Tract Income Level							
Census Tract Income Level	Demographic Data	2009 Bank Loans		2010 Bank Loans		2011 Bank Loans YTD	
	% of Owner-Occupied Units	# of Bank Loans	%	# of Bank Loans	%	# of Bank Loans	%
Moderate	1.8	2	1.6	0	0.0	0	0.0
Middle	56.4	79	62.7	70	63.6	25	45.5
Upper	41.8	45	35.7	40	36.4	30	54.5
Total	100.0	126	100.0	110	100.0	55	100.0
Source: 2009, 2010, and YTD 2011 Internal Bank Records and Demographics from 2000 U.S. Census Data							

As the table above indicates, the Bank made 1.6 percent of its HELOC loans to the moderate-income level census tract in 2009. This is consistent with the demographic indicator; 1.8 percent of owner-occupied housing units are in the moderate-income census tract. In 2010 and YTD 2011, no loans were originated within the moderate-income census tract. This performance is less than the demographic indicator. However, a mitigating factor to this performance is the fact that a small percentage of owner-occupied units are within the census tracts.

#### 4. DISTRIBUTION OF CREDIT AMONG BORROWERS OF DIFFERENT INCOME LEVELS AND BUSINESSES OF DIFFERENT SIZES

The distribution of loans by borrower income was reviewed to determine the extent to which the Bank is addressing the credit needs of the area's residents, particularly low- and moderate-income residents. The distribution of small business loans by revenue size and loan amount was also evaluated to determine the extent to which the Bank is meeting the credit needs of the area's small businesses. Last, the Bank's HELOC loans were also evaluated. The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes.

##### Residential Loans

Table 8 details the Bank's residential lending performance by borrower income level for 2009, 2010, and YTD 2011. The Bank's 2009 lending performance is compared with the aggregate lenders performance by borrower income level. The Bank's lending performance is also compared with demographic indicators – the percentage of families within the assessment area by income level.

Table 8 Distribution of Residential Loans by Borrower Income*									
Loan Category	# of Bank Loans	Percent of Bank Loans				Percent of Aggregate Lending			
		Low	Moderate	Middle	Upper	Low	Moderate	Middle	Upper
2009									
Home Purchase	61	0.0	27.9	19.7	52.4	7.0	27.7	30.2	35.1
Refinance	335	2.1	9.6	28.1	60.3	4.8	15.7	28.1	51.4
Home Improvement	48	0.0	14.6	33.3	52.1	7.5	22.5	29.2	40.8
<b>Total</b>	<b>444</b>	<b>1.6</b>	<b>12.6</b>	<b>27.5</b>	<b>58.3</b>	<b>5.4</b>	<b>18.8</b>	<b>28.7</b>	<b>47.1</b>
2010									
Home Purchase	79	5.1	21.5	31.6	41.8				
Refinance	219	3.7	17.8	28.3	50.2				
Home Improvement	29	0.0	31.0	34.5	34.5				
<b>Total</b>	<b>327</b>	<b>3.7</b>	<b>19.9</b>	<b>29.6</b>	<b>46.8</b>				
YTD 2011									
Home Purchase	17	5.9	17.6	41.2	35.3				
Refinance	48	8.3	18.75	31.25	41.67				
Home Improvement	6	0.0	50.0	16.7	33.3				
<b>Total</b>	<b>71</b>	<b>7.0</b>	<b>21.1</b>	<b>32.4</b>	<b>39.4</b>				
<b>Grand Total</b>	<b>842</b>	<b>2.9</b>	<b>16.2</b>	<b>28.7</b>	<b>52.2</b>				
<b>Demographics</b>	# of Families	<b>Distribution of Families</b>							
		<b>Low</b>	<b>Moderate</b>	<b>Middle</b>	<b>Upper</b>				
<b>Families</b>	33,131	14.5	15.2	23.3	47.0				
Source: 2009, 2010, and YTD 2011 HMDA LARS, HMDA Aggregate Data for 2009, and Demographics from 2000 U.S. Census Data *(Excludes loans with unknown income)									

As the table shows, the Bank originated 1.6 percent in number of its residential loans to low-income borrowers in 2009. This is less than the aggregate lenders lending percentage, as loans to low-income borrowers represented 5.4 percent of the aggregate lenders lending within the assessment area. In 2010, the Bank increased its lending to low-income borrowers slightly, to 3.7 percent. YTD 2011, the Bank's low-income performance increased to 7.0 percent. This is a positive trend in low-income residential lending. The Bank's performance in comparison to demographic indicators reveals the Bank's lending performance was less than demographics, as 14.5 percent of area families were deemed low-income in the 2000 Census. However, mitigating factors considered included 6.3 percent of assessment area families have income levels below the poverty level, making it difficult to qualify for residential mortgage lending.

The Bank originated 12.6 percent in number of its residential loans to moderate-income borrowers in 2009. This is less than the aggregate lenders lending performance, as loans to moderate-income borrowers represented 18.8 percent of aggregate lending within the assessment area. In 2010, the proportion of originations to moderate-income borrowers increased to 19.9 percent, primarily a result of an increase in the proportion of home improvement originations to moderate-income borrowers. YTD 2011, the Bank's performance was slightly higher, but overall consistent with its 2010 performance, at 21.1 percent. This is a positive trend in moderate-income borrower lending. The Bank's performance in comparison to demographic indicators reveals that in 2009, the Bank's lending performance was less than the percent of moderate-income families in the assessment area (at 15.2 percent). In 2010 and YTD 2011, the Bank exceeded the percent of moderate-income families in the assessment area.

### Small Business Loans

Table 9 details the Bank's small business lending performance by gross annual revenue of the businesses for 2009, 2010, and YTD 2011. The Bank's lending 2009 and 2010 lending performance is compared with demographic indicators – the percentage of businesses within the assessment area by the gross annual revenue.

Table 9 Distribution of Small Business Loans by Gross Annual Revenue (GAR)								
Gross Annual Revenue	Demographic Data 2009	2009 Bank Loans		Demographic Data 2010	2010 Bank Loans		YTD 2011 Bank Loans	
	% Businesses	# of Loans	%	% Businesses	# of Loans	%	# of Loans	%
<= \$1,000,000	78.5	56	62.2	79.0	59	60.8	46	85.1
> \$1,000,000	4.9	34	37.8	5.1	38	39.2	8	14.8
GAR Not Reported	16.6	0	0.0	15.9	0	0.0	0	0.0
Total	100.0	90	100.0	100.0	97	100.0	54	100.0
Source: Bank's 2009, 2010, and YTD 2011 Internal CRA Small Business LARs, and 2009 and 2010 Business Geodemographic Data								

As the table indicates, in 2009, the Bank originated a majority of its small business loans to businesses with gross annual revenues of \$1.0 million or less, at 62.2 percent. The Bank's 2009 performance is below the 2009 demographic data, as 78.5 percent of businesses in the assessment area had gross annual revenues at or below \$1.0 million. The Bank's lending data in 2010 is comparable to 2009, wherein 60.8 percent of the small business loans were originated to businesses with revenues of \$1.0 million or less. This is less than the 2010 demographic data in which 79.0 percent of the businesses in the assessment area had gross annual revenues at or below \$1.0 million. The Bank's YTD 2011 lending reflects an increase in

percentage of loans made to small businesses with revenues of \$1.0 million or less, at 85.1 percent of loans. 2011 demographic data is currently unavailable for comparison purposes.

### Home Equity Lines of Credit

Table 10 details the Bank's HELOC lending performance by borrower income level for 2009, 2010, and YTD 2011. The Bank's 2009 lending is compared with the percentage of families within the assessment area by income level.

Table 10 Distribution of Home Equity Lines of Credit by Borrower Income Level							
Borrower Income Level	Demographic Data	2009 Bank Loans		2010 Bank Loans		YTD 2011 Bank Loans	
	% of Families	# of Bank Loans	%	# of Bank Loans	%	# of Bank Loans	%
Low	14.5	13	10.3	4	3.6	4	7.3
Moderate	15.2	28	22.2	21	19.1	8	14.5
Middle	23.3	28	22.2	29	26.4	17	30.9
Upper	47.0	57	45.3	56	50.9	26	47.3
Total	100.0	126	100.0	110	100.0	55	100.0
Source: 2009, 2010, and YTD 2011 Internal Bank Records and Demographics from 2000 U.S. Census Data							

As the table indicates, in 2009, 10.3 percent of the Bank's home equity lines of credit were originated to low-income borrowers. In 2010, this percentage decreased to 3.6 percent. YTD 2011, the percentage of loans to low-income borrowers is at 7.3 percent. In comparison, the Bank's lending is less than the percentage of low-income families within the assessment area, at 14.5 percent. In 2009, the Bank originated 22.2 percent of its loans to moderate-income borrowers. In 2010, the percentage of lending to moderate-income borrowers was slightly less than, but generally consistent, at 19.1 percent. YTD 2011, the percentage decreased to 14.5 percent. In comparison, the Bank's lending in 2009 and 2010 is more than the percentage of moderate-income families in the assessment area, at 15.2 percent. YTD 2011, the Bank's lending is slightly less, but consistent with the percentage of moderate-income families in the assessment area.

## 5. RESPONSE TO CRA COMPLAINTS

The Bank has not received any CRA-related complaints during the evaluation period. As a result, this performance criterion is not applicable.

## COMMUNITY DEVELOPMENT TEST

The Bank's community development performance demonstrates adequate responsiveness to the community development needs of the its assessment area through community development loans, qualified investments and grants, and community development services as appropriate, considering the institution's capacity and the need and availability of such opportunities for community development in the institution's assessment area(s).

### Community Development Loans

For the purpose of this evaluation, a community development loan is defined as a loan that: (1) has community development as its primary purpose, (2) has not already been reported by the Bank for consideration under small business or home mortgage lending (unless it is a multifamily dwelling loan), and (3) benefits the Bank's assessment area or a broader statewide or regional area that includes the Bank's assessment area.

During this evaluation period, the Bank originated 6 community development loans in its assessment area totaling \$1,382,903. During the previous CRA evaluation period, the Bank originated 6 community development loans totaling \$2,515,000. Community development loans as a percent of net loans is 0.4 percent.

A listing of Bank's qualified community development lending by community development category is provided below.

- In 2008, 2009, and 2010 the Bank renewed a \$125,000 line of credit to an economic development corporation in the assessment area. The organization assists businesses in securing financing taking advantage of government programs and grants to promote development and business expansion.
- In 2008, the Bank extended a \$1.0 million line of credit to provide working capital to a non-profit agency providing residential, vocational and transportation services to adults with development and psychiatric disabilities, the majority of whom are low- or moderate-income. The line was renewed in 2010.
- Community development credit is also provided for the Bank's share of loans originated under the Greater Blackstone Valley Community Loan Program (BVCLP). UniBank is the lead bank in this loan pool of 5 banks, which was created to foster economic activity in the Greater Blackstone River Valley and to promote small business development by offering alternative financing to small entrepreneurs. In 2008 and 2009, the Bank originated two loans totaling \$7,903.00.

### **Community Development Investments**

A qualified investment for the purposes of this CRA evaluation is a lawful investment, deposit, donation, or grant that has community development as its primary purpose. The evaluation considered (1) investment and grant activity, (2) the responsiveness to credit and community development needs, and (3) community development initiatives.

During the evaluation period, the Bank's qualified equity investments and donations totaled \$5,780,880. This figure includes the current book value of any new or existing qualified investments and grants on the bank's books during the evaluation period.

Qualified bonds and equity investments total \$5,526,980 which represents 0.4 percent of total assets as of June 30, 2011. There have been seven new investments since the last evaluation. Listed below are the Bank's qualified investments.

#### **Investments**

The Bank did not make any new CRA-qualified securities investments during the current evaluation period. During the previous evaluation periods, the Bank invested in several mortgage-backed securities backed by loans to low- or moderate-income homebuyers from the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA). The book value of these existing securities as of June 30, 2011 is \$1,567,980.

The Bank purchased seven municipal bonds to support the Martha's Vineyard Refuse and Resource Recovery District totaling \$3,959,000. These bonds were purchased in August of 2008, 2009, and 2010. The bonds funded the closure of the island's land fill and upgrade of the transfer station. These bonds received credit as a community development investment because Martha's Vineyard has been designated as an underserved geography even though it is primarily a seasonal destination for wealthy individuals. The seasonality of the population results in a low density of year round residents and a resulting appearance, based on isolated statistical information, of being underserved.

### Donations

The Bank made 54 qualified donations totaling \$253,900 during the evaluation period. This represents an increase since the previous evaluation, up from \$227,573. Table 11 below details the Bank's community development donations by community development purpose category.

<b>Table 11 Community Development Donations by Community Development Category</b>			
<b>Category</b>	<b>Year</b>	<b>Number of Loans</b>	<b>Dollar Amount</b>
Affordable Housing	6/24/08 – 12/31/08	1	250
	2009	1	2,500
	2010	1	500
	YTD 2011	1	1,000
<b>Total Affordable Housing</b>		<b>4</b>	<b>4,250</b>
Community Services to Low- and Moderate-Income (LMI) Individuals	6/24/08 – 12/31/08	7	38,400
	2009	14	70,200
	2010	16	105,350
	YTD 2011	6	19,950
<b>Total LMI Services</b>		<b>43</b>	<b>233,900</b>
Economic Development	6/24/08 – 12/31/08	1	2,500
	2009	1	2,500
	2010	1	5,000
	YTD 2011	3	4,750
<b>Total Economic Development</b>		<b>6</b>	<b>14,750</b>
Activities that Revitalize or Stabilize LMI Census Tracts	6/24/08 – 12/31/08	0	-
	2009	0	-
	2010	0	-
	YTD 2011	1	1,000
<b>Total Revitalize or Stabilize</b>		<b>1</b>	<b>1,000</b>
<b>Grand Total</b>		<b>54</b>	<b>253,900</b>
<i>Source: Internal Bank Records</i>			

The Bank's qualified donations represent 1.2 percent of the Bank's pre-tax net operating income during the evaluation period. Table 12 details the bank's donations as a percentage of pre-tax net operating income by year.



<b>Table 12</b> <b>Qualified Community Development Donations as Percent of Pre-tax Net Operating Income</b>		
<b>Year</b>	<b>Dollar Amount of Qualified Donations</b>	<b>% of Pre-tax Net Operating Income</b>
6/24/08 - 12/31/08	41,150	1.7
2009	75,200	1.3
2010	110,850	1.5
YTD 2011	26,700	0.4
<b>Grand Total</b>	<b>253,900</b>	<b>1.2</b>
<i>Source: Internal Bank Records and Call Report data</i>		

The following is a sample of the community development organizations benefiting from the Bank's qualified donations during the evaluation period.

- *Whitinsville Community Center* (\$53,000 total donations from 2009 to YTD 2011) – The youth outreach program is designed to allow children from low- and moderate-income families the opportunity to participate in a variety of services including fitness, daycare, afterschool programs, and summer day camps at no cost.
- *Worcester Community Action Council Fuel Assistance Fund* (\$40,000 total donations June 24, 2008 to YTD 2011) – The fund targets low- and moderate-income individuals within the assessment area who are having difficulty with the high cost of home heating oil.
- *Local Food Banks* (\$63,300 total donations June 24, 2008 to YTD 2011) – The Bank donated funds to 17 different food banks within the assessment area. The food banks provide needed meals to low- and moderate-income individuals and families. In 2010, to celebrate reaching one billion in assets, the Bank made additional contributions to all of the area food banks and supporting organizations.
- *Martin Luther King, Jr. Business Empowerment Center* (\$3,500 total donations from 2009 to YTD 2011) – The Business Empowerment Center offers a variety of services to support small business development including Business Information Center, Facilities & Incubation, Training and Job Placement, Administrative Services.
- *Abbey's House* (\$1,000 total donations YTD 2011) – This organization provides emergency and long term affordable housing to homeless and battered women and children. Clients are low-income.
- *Town of Brimfield Disaster Relief* (\$1,000 total donations YTD 2011) – Severe storms and tornados affected Western Massachusetts in June 2011. A federal disaster area was declared.

### **Community Development Services**

A community development services has community development as its primary purpose and is generally related to the provision of financial services or technical services and assistance. Listed below are the community development services provided by the Bank during the evaluation period.

## Educational Seminars/Programs

During the evaluation period, officers and employees of the Bank were involved in many local community development and nonprofit organizations in various capacities. Bank personnel provide these organizations with financial and management expertise while serving as directors, committee members, officers, and volunteers. The following is a representative sample of the many organizations within the assessment area in which the Bank has supported and assisted throughout the evaluation period.

- Financial Literacy Programs: During the 2008-2009 school year, the Bank presented seminars at four local high schools consisting of various modules on checking and savings, loans, credit, investments, and careers. In 2008, the Bank presented to 100 students at Miscoe Hill Middle School in Mendon. Topics included checking and savings accounts, importance of credit, and information security. In 2008, the Bank gave a presentation to 25 4th graders at Grafton Elementary School on savings and how interest “grows” your money. In 2009, the Bank presented three classes on credit and personal credit management to Nipmuc High School as part of the Distributive Educational Clubs of America program. Twice during 2011, the Bank presented to students at Blackstone Valley Tech on the topics of understanding credit and checking accounts, credit cards, credit reports, and identity theft. Annually, the Bank provides financial training material to teachers in area schools through Internal Training Services. The material consists of workbooks for students and a leader guide to be used in classroom exercises. A variety of topics is available, with checking account instruction used most frequently. Schools taking advantage of the material are Northbridge, Douglas, Uxbridge, Whitinsville Christian, and Nipmuc Regional.

Twice in 2008, the Bank presented two security seminars at the Upton Senior Center. Topics included identity theft, fraud, data protection and banking security. Victims of identity theft were provided information on measures to protect themselves in the future.

- Home Buying Seminars: Twice during the years of 2008, 2010, and 2011, the Bank sponsored and hosted a free home buying seminar. Speakers include a Bank loan originator, a realtor, a home inspector, and a local attorney. Topics included finding and buying the right home, negotiating a winning offer, finding the right mortgage, closing procedures, down payment options, home inspections and other practical considerations.
- Blackstone Valley Home and Business Expo: Annually from 2008 to 2011, the Bank sponsored the Blackstone Valley Home and Business Expo. The Expo is designed to promote new businesses and create growth opportunities for existing businesses.
- IOLTA Accounts: The Bank participates in the Interest on Lawyers’ Trust Accounts (IOLTA). Interest earned on the account is utilized to help fund improvements in the delivery of legal services to low-income clients. The Bank contributed \$2,715 in interest for the third and fourth quarter 2008, \$15,223 for 2009, \$11,230 for 2010, and \$4,354 for YTD 2011.
- Basic Banking for Massachusetts: The Bank continues to be involved in the Basic Banking for Massachusetts. The Bank’s checking and savings accounts meet the Massachusetts Community and Banking Council guidelines. This voluntary program expands access to bank products and services and encourages those with modest incomes to establish banking relationships.

## Bank Employee Involvement

During the evaluation period, officers and employees of the Bank are involved in many local community development and nonprofit organizations in various capacities. Bank personnel provide these organizations with financial management expertise while serving as directors, officers, loan committee members, and volunteers. Examples of the benefiting organizations include:

- The President and CEO is a member of the board of a local community center that provides services to low- and moderate-income individuals and families. He is also a leader of the Bernat Mill Fire Relief Fund advisory group, which provided financial guidance to the displaced businesses.
- An Executive Vice President is a member of the Worcester and Blackstone Valley Chamber of Commerce which promotes economic development.
- A Vice President is on the Board of Corridor Nine Area Chamber of Commerce. The Chamber serves as an advocate for business development for towns within the Bank's assessment area and offers a variety of support to small businesses.
- An Assistant Vice President/branch manager is a volunteer Money Management Advisory Board member. The program offers trained volunteers who assist elderly with paying bills and account balancing.

## Distribution of Branches and Availability of Services

The Bank's main office is in Whitinsville, Massachusetts. In addition to the main office, the Bank operates seven full service branches in Blackstone, Douglas, Milford, Sutton, Upton, Uxbridge, and Whitinsville. The Bank also operates ATMs at each of its branches with the exception of the Blackstone branch. Each of the Bank's branch offices features drive-up windows. The table below illustrates the distribution of the Bank's branches and ATMs by census tract income level in comparison with the percentage of the population within the assessment area by census tract income level.

<b>Table 13</b>					
<b>Distribution of Branches and ATMs</b>					
<b>Census Tract Income Level</b>	<b>% of Population</b>	<b>Branches</b>		<b>ATMs</b>	
		<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Moderate	4.2	0	0	0	0
Middle	62.5	6	75.0	5	71.4
Upper	29.2	2	25.0	2	28.6
NA	4.1	0	0	0	0
<b>Total</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>	<b>7</b>	<b>100.0</b>
<i>Source: Internal Bank Records; Includes ATMs at offices</i>					

With respect to the accessibility of the Bank's branches and ATMs to low- and moderate-income individuals and families, the Bank does not have any branches in the sole moderate-income census tract in its assessment area. However, the majority of the assessment area's low- and moderate-income families (66.4 percent) reside within the assessment area's middle-income census tracts. As noted in the above table, a majority of the Bank's branches and ATMs are in the middle-income census tracts.

The Bank also uses alternative delivery systems to provide all portions of the assessment area with access to its services. The Bank has ATM network affiliations with SUM so customers can use their ATM card to access any non-proprietary ATM to withdraw cash. The Bank offers free 24-hour telephone banking that enables customers to verify account balances, make transfers and loan payments, and inquire about checks, deposits, and interest rates.

The Bank opened one full service branch office since the prior CRA evaluation. The office was opened in a middle income census tract in Milford in 2009. The Bank did not close any branch offices during the CRA evaluation period.

The Bank offers a variety of consumer credit and deposit products. The Bank's products and services do not vary between offices. Available credit products include residential mortgage, loans, home equity loans and lines of credit, auto loans, boat and RV loans, and personal loans and lines of credit. Deposit account offerings include regular savings accounts, club accounts, checking accounts, money market accounts, certificates of deposit ("CDs"), and individual retirement accounts ("IRAs"). The Bank offers a *Free Checking Account* which has no minimum balance, maintenance fees, or per-check charges. The Bank's Free Business Checking offers no monthly maintenance fees. Additionally, the account allows businesses to have up to 50 free transactions each month without any per-check fees.

UniBank's business hours vary slightly between branch office locations. Each of the Bank's offices offers lobby hours on weekdays between 9:00 a.m. and 4:00 p.m., extended hours as late as 7:00 p.m. on Thursdays and Fridays, and Saturdays from 9:00 a.m. until Noon. The Bank offers extended drive-up hours beginning at 7 a.m. These hours are generally consistent with those of other area financial institutions.

#### **FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

The Bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. No evidence of discriminatory or other illegal credit practices was identified.

## APPENDIX A

### Fair Lending Policies and Practices

The Division of Banks provides comments regarding the institution's fair lending policies and procedures pursuant to Regulatory Bulletin 2.3-101.

The Bank has a written Fair Lending Policy. The Bank proactively and affirmatively supports the fair lending process through fair, but flexible lending policies.

The Bank provides ongoing educational opportunities to employees, members of the Board and management on fair lending regulations and cultural diversity.

### MINORITY APPLICATION FLOW

The Bank's LARs for 2009 and 2010 were reviewed to determine if the application flow from the different racial and ethnic groups within the assessment area was reflective of the area's demographics.

The Bank's assessment area has a population of 122,473 persons. The total minority population is 4.9 percent with the largest minority groups being Asian at 1.0 percent and Black at 0.7 percent. The Hispanic population accounts for 1.9 percent of the total population within the assessment area.

The Bank received a total of 844 HMDA-reportable loan applications from within the assessment area in 2009 and 2010. Refer to the following table for information on the Bank's minority application flow as well as a comparison to that of the aggregate lenders throughout the assessment area. The comparison of this data assists in deriving reasonable expectations, for the rate of applications the Bank received from minority applicants.

Minority Application Flow								
Race	Bank 2009		2009 Aggregate Data		Bank 2010		Bank Total	
	#	%	#	%	#	%	#	%
<i>American Indian/ Alaska Native</i>	1	0.2	21	0.2	2	0.6	3	0.4
<i>Asian</i>	0	0.0	326	2.8	2	0.6	2	0.2
<i>Black/ African American</i>	0	0.0	43	0.4	0	0.0	0	0.0
<i>Hawaiian/Pacific Islander</i>	0	0.0	7	0.1	0	0.0	0	0.0
<i>2 or more Minority</i>	0	0.0	3	0.0	0	0.0	0	0.0
<i>Joint Race (White/Minority)</i>	4	0.8	87	0.8	5	1.4	9	1.1
<b>Total Minority</b>	<b>5</b>	<b>1.0</b>	<b>487</b>	<b>4.3</b>	<b>9</b>	<b>2.6</b>	<b>14</b>	<b>1.7</b>
<i>White</i>	461	96.3	8,579	74.5	349	95.6	810	95.9
<i>Race Not Available</i>	13	2.7	2,433	21.2	7	1.9	20	2.4
<b>Total</b>	<b>479</b>	<b>100.0</b>	<b>11,499</b>	<b>100.0</b>	<b>365</b>	<b>100.0</b>	<b>844</b>	<b>100.0</b>
<b>Ethnicity</b>								
<i>Hispanic or Latino</i>	0	0.0	108	0.9	0	0.0	0	0.0
<i>Not Hispanic or Latino</i>	462	96.5	8,863	77.1	355	97.3	817	96.8
<i>Joint (Hisp./Latino/Not Hisp./Latino)</i>	2	0.4	64	0.6	2	0.6	4	0.5
<i>Ethnicity Not Available</i>	15	3.1	2,464	21.4	8	2.2	23	2.7
<b>Total</b>	<b>479</b>	<b>100.0</b>	<b>11,499</b>	<b>100.0</b>	<b>365</b>	<b>100.0</b>	<b>844</b>	<b>100.0</b>

Source: 2009, 2010 HMDA LARS, HMDA Aggregate Data for 2009

The Bank's level of lending was compared with that of the aggregate's lending performance for the most recent year for which data was available, the year 2009. As displayed above, the Bank received a lower percentage of applications from minority borrowers than that received by the 2009 aggregate. The Bank's performance improved slightly in 2010, whereby 9 applications were taken. Of the 9 applications the Bank received, 8 resulted in originations, and 1 was denied.

## PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations, and Part 345 of the Federal Deposit Insurance Corporation's Rules and Regulations, require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks and the Federal Deposit Insurance Corporation, at 49 Church Street, Whitinsville, MA 01588".

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agencies, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.